



Department of Justice

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**FORMER ALABAMA GOVERNOR DON SIEGELMAN AND FORMER
HEALTHSOUTH CEO RICHARD SCRUSHY SENTENCED ON BRIBERY,
CONSPIRACY AND FRAUD CHARGES**

WASHINGTON – Former Alabama Governor Don Siegelman and former HealthSouth Chief Executive Officer Richard Scrushy were sentenced to prison terms today for their roles in a bribery, conspiracy and fraud scheme, Assistant Attorney General Alice S. Fisher of the Criminal Division and Acting U.S. Attorney Louis V. Franklin Sr. of the Middle District of Alabama announced today.

At a hearing today in Montgomery, Ala., U.S. District Judge Mark Fuller sentenced Siegelman to 88 months in prison, and ordered him to pay \$50,000 in fines, and \$181,325 restitution to the Alabama Department of Economic Affairs. Siegelman was convicted by a federal jury in June 2006 of seven counts – bribery, conspiracy to commit honest services wire fraud, four counts of honest services mail fraud, and obstruction of justice.

Scrushy was sentenced to 82 months in prison and fined \$150,000, and restitution in the amount of \$267,000.00 to UBS who will send the monies to the Alabama United Way. Scrushy was convicted of six counts – bribery, conspiracy to commit honest services mail fraud, and four counts of honest services mail fraud.

“The sentences imposed on Don Siegelman and Richard Scrushy reflect the high priority placed by the Department of Justice on the enforcement of our anti-corruption laws,” said Assistant Attorney General Fisher. “I thank the prosecutors from the U.S. Attorney’s Office and the Public Integrity Section who worked closely with agents from the FBI, the Alabama Attorney General’s Office and the Transportation Department’s Inspector General to expose corruption and bring this case to a successful conclusion.”

“One-man-one-vote is the core of our democracy. When those who have been elected to serve in the executive branch of state government abandon their fiduciary duty through conspiracy, bribery, honest services and mail fraud, and obstruction of justice, it preempts the very core of our government,” said Acting U.S. Attorney Franklin. “Likewise, when corporate executives choose to bribe our elected officials, it facilitates the erosion of our government. The United States Attorney’s office for the Middle District of Alabama will continue to aggressively investigate and prosecute public corruption cases that impact this district.”

Siegelman was convicted of mail fraud arising from a pay-for-play scheme in which he exchanged official acts and influence for cash, property and services from Alabama businessman and consultant Clayton “Lanny” Young. The jury found that Siegelman took thousands of dollars in bribes from Young to aid Young’s business interests, including the awarding of contracts to companies controlled by Young. The jury also found Siegelman and Scrushy guilty of crimes arising from a bribery scheme in which Scrushy paid Siegelman \$500,000 in laundered funds to obtain a seat on the state regulatory board governing HealthSouth.

The case was prosecuted by Acting U.S. Attorney for the Middle District of Alabama Louis V. Franklin Sr., a senior career prosecutor in the U.S. Attorney’s Office, Assistant U.S. Attorneys Stephen P. Feaga and J.B. Perrine, Middle District of Alabama, and Trial Attorney Richard Pilger of the Criminal Division’s Public Integrity Section, which assisted in the review and prosecution of this case. The prosecution was assisted by Assistant Attorneys General Joseph Fitzpatrick and Jenny Garrett for the state of Alabama.